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BEFORE THE ARIZONA CORPORATION COMMISSION

BOB STUMP
Chairman
GARY PIERCE
Commissioner
BRENDA BURNS
Commissioner
BOB BURNS
Commissioner
SUSAN BITTER SMITH
Commissioner

Arizona Corporation Commission

DOCKETED

FEB 20 2013

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IN THE MATTER OF THE APPLICATION
OF SULPHUR SPRINGS VALLEY
ELECTRIC COOPERATIVE, INC. FOR
APPROVAL OF REVISIONS TO ITS BILL
ESTIMATION TARIFF

DOCKET NO. E-01575A-11-0439

DECISION NO. 73733ORDER

Open Meeting
February 12 and 13, 2013
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. Sulphur Springs Valley Electric Cooperative, Inc. ("SSVEC") is certificated to provide electric service as a public service corporation in the State of Arizona.

Introduction

2. In Decision No. 73256, issued July 30, 2012, the Commission approved SSVEC's experimental Residential Prepaid Service Tariff and required SSVEC to file revisions to its Bill Estimation Tariff to include estimation procedures specific to its prepaid service. On August 2, 2012, SSVEC filed, as a compliance item, a revised experimental Residential Prepaid Service ("RPS") Tariff and a revised Bill Estimation Tariff, pursuant to Decision No. 73256.

3. On September 20, 2012, SSVEC re-filed, as a new application (in this docket), the revisions to its Bill Estimation Tariff that were initially filed on August 2, 2012, for Commission approval. On January 23, 2013, SSVEC filed a revised version of the Bill Estimation Tariff based on discussions with Staff. Bill estimation methodologies are required in the event a valid meter

1 read is not available. Arizona Administrative Code ("A.A.C.") R14-2-210.A.5.a. requires electric
2 utilities to have Commission-approved bill estimation procedures in place in order to render an
3 estimated bill to customers.

4 **Bill Estimation Revisions for Prepaid Service**

5 4. SSVEC's proposed revisions to its Bill Estimation Tariff include examples of
6 scenarios in which daily kWh usage was not available. The scenarios describe the procedures for
7 estimating the daily kWh that prepaid customers consume. Once an actual kWh usage read is
8 obtained, and results in a negative account balance, the Customer would have two (2) business
9 days to replenish the prepaid account to avoid disconnection.

10 5. If SSVEC is unable to obtain a daily kWh usage read for seven (7) or more days,
11 SSVEC would use the customer's historical average daily kWh to estimate the amount owed. In
12 this instance, the prepaid customer would have five (5) business days to replenish the prepaid
13 account if the estimation results in a negative account balance.

14 6. Should a prepaid customer not have any prior consumption history with SSVEC
15 and estimation is necessary, the prepaid customer would only be charged the daily fixed charges
16 and applicable taxes. If an actual kWh usage read was obtained and results in a negative prepaid
17 account balance, the prepaid customer would have five (5) business days to replenish the prepaid
18 account to avoid disconnection.

19 7. Staff has reviewed SSVEC's proposed revisions filed on January 23, 2013, and
20 believes that the bill estimation procedures regarding prepaid customers are appropriate. In
21 addition, Staff believes that SSVEC should add to Section F of its RPS Tariff as number six (6) the
22 following language, "The Cooperative shall not disconnect a prepaid customer due to a negative
23 account balance based on an estimated read that has not been trued up with an actual read." Staff
24 believes that this language helps clarify the disconnection procedures for prepaid customers.

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Staff Recommendations

8. Staff has recommended that SSVEC's proposed revisions to its Bill Estimation Tariff be approved as discussed herein.

9. In addition, Staff has recommended that SSVEC should add to Section F of its RPS Tariff as number six (6) the following language, "The Cooperative shall not disconnect a prepaid customer due to a negative account balance based on an estimated read that has not been trued up with an actual read."

10. Further, Staff has recommended that SSVEC file, as a compliance item, a revised Bill Estimation Tariff and a revised RPS Tariff page consistent with the terms of this Decision within 15 days of the effective date of the Decision.

CONCLUSIONS OF LAW

1. Sulphur Springs Valley Electric Cooperative, Inc. is an Arizona public service corporation within the meaning of Article XV, Section 2, of the Arizona Constitution.

2. The Commission has jurisdiction over Sulphur Springs Valley Electric Cooperative, Inc. and over the subject matter of the application.

3. The Commission, having reviewed the application and Staff's Memorandum dated February 1, 2013, concludes that it is in the public interest to approve the Sulphur Springs Valley Electric Cooperative, Inc. revised Bill Estimation Tariff, as discussed herein.

ORDER

IT IS THEREFORE ORDERED that the Sulphur Springs Valley Electric Cooperative, Inc. Bill Estimation Tariff as proposed be and hereby is approved, as discussed herein.

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1 IT IS FURTHER ORDERED that the sentence: "The Cooperative shall not disconnect a
2 prepaid customer due to a negative account balance based on an estimated read that has not been
3 trued up with an actual read." be included in Section F as number six (6) of the Residential Prepaid
4 Service Tariff currently on file with the Commission.

5 IT IS FURTHER ORDERED that Sulphur Springs Valley Electric Cooperative, Inc. file, as
6 a compliance item, a revised Bill Estimation Tariff and a revised Residential Prepaid Service
7 Tariff page consistent with the terms of this Decision within 15 days of the effective date of the
8 Decision.

9 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

10 **BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

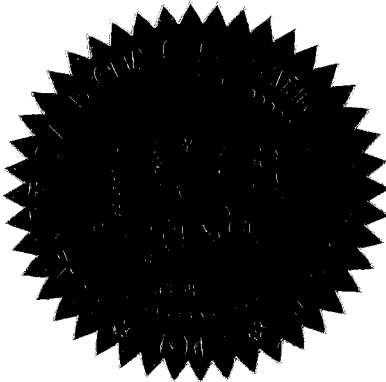
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13 CHAIRMAN

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26 IN WITNESS WHEREOF, I, JODI JERICH, Executive
27 Director of the Arizona Corporation Commission, have
28 hereunto, set my hand and caused the official seal of this
Commission to be affixed at the Capitol, in the City of
Phoenix, this 20th day of February, 2013.

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31 JODI JERICH
32 EXECUTIVE DIRECTOR

33 DISSENT: _____

34 DISSENT: _____

35 SMO:CLA:sms\BES

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